

H.R. 3861: Mr. PORTER.  
H.R. 3862: Mr. DIAZ-BALART and Mr. BLAGOJEVICH.  
H.R. 3865: Mr. SISISKY, Mr. BALLENGER, Mr. FORD, Mr. BLUNT, Mr. CANADY of Florida, Mr. CHAMBLISS, Mr. CHRISTENSEN, Mr. CUNNINGHAM, Mr. BARTLETT of Maryland, Mr. GILCHRIST, Mr. GOODLING, Mr. HASTERT, Mr. HAYWORTH, Mr. HERGER, Mr. HILL, Mr. HORN, Mr. HYDE, Mr. KLUG, Mr. KOLBE, Mr. LATHAM, Mr. LAZIO of New York, Mr. LINDER, Mr. LUCAS of Oklahoma, Mr. MCHUGH, Mr. MCKEON, Mr. METCALF, Mr. NETHERCUTT, Mr. BAKER, Mr. NEY, Mr. PICKERING, Mr. POMBO, Ms. PRYCE of Ohio, Mr. REDMOND, Mr. ROHR-ABACHER, Ms. ROS-LEHTINEN, Mr. SPENCE, Mr. SUNUNU, Mr. TAUZIN, Mr. THOMPSON, Mr. TIAHRT, Mr. WELDON of Florida, and Mr. WALSH.  
H.R. 3876: Mr. FROST, Mrs. CLAYTON, Mr. WEYGAND, Mr. FILNER, Mr. DAVIS of Illinois, Ms. JACKSON-LEE, Mr. TIERNEY, Mr. POSHARD, Ms. LEE, Mr. DINGELL, and Mr. BROWN of Ohio.  
H.R. 3880: Mr. FALEOMAVAEGA and Mr. SANDERS.  
H.R. 3980: Mr. COOKSEY and Mr. ALLEN.  
H.R. 3981: Mr. BLAGOJEVICH, Mr. BLILEY, Mr. BOUCHER, Mr. FROST, Mr. GILMAN, Mr. GOODE, Mr. GREENWOOD, Mr. MORAN of Virginia, and Mr. SISISKY.  
H.R. 4007: Ms. WOOLSEY.  
H.R. 4018: Mr. WEYGAND, Mr. HINCHEY, Mr. ABERCROMBIE, Mr. ETHERIDGE, Mr. VENTO, Mr. KIND of Wisconsin, Mr. BENTSEN, Mr. LAFALCE, and Mr. SANDLIN.  
H.R. 4033: Mr. THOMPSON.  
H.R. 4046: Mr. MCCOLLUM and Mr. SAWYER.  
H.R. 4065: Mr. SANFORD, Mr. RYUN, Mr. LARGENT, Mr. SHADEGG, Mr. SESSIONS, Mr. SAXTON, Mr. HOEKSTRA, Mr. SPENCE, Mr. HUNTER, Mr. DELAY, Mr. SAM JOHNSON, Mr. SOLOMON, Mr. RADANOVICH, and Mr. BARTLETT of Maryland.  
H.J. Res. 113: Mr. FORD.  
H. Con. Res. 154: Mrs. MALONEY of New York and Mr. SHAYS.  
H. Con. Res. 203: Mr. WAXMAN and Mr. CONYERS.  
H. Con. Res. 287: Mr. UNDERWOOD, Ms. FURSE, Mr. NEAL of Massachusetts, Ms. HOOLEY of Oregon, Ms. LOFGREN, Mr. CLEMENT, Mr. RAMSTAD, and Mr. MCGOVERN.  
H. Con. Res. 288: Mr. BARRETT of Nebraska.  
H. Con. Res. 290: Mr. EVANS, Mr. BISHOP, Mr. PICKERING, Mr. HOSTETTLER, and Mr. EWING.  
H. Res. 363: Mr. BOUCHER.  
H. Res. 387: Mrs. THURMAN.  
H. Res. 467: Mr. BILBRAY.  
H. Res. 468: Mr. BILBRAY.

## 59.32 DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsor was deleted from the public bill as follows:

H.R. 1891: Mr. HOLDEN.

## THURSDAY, JUNE 18, 1998 (60)

The House was called to order by the SPEAKER.

### 60.1 APPROVAL OF THE JOURNAL

The SPEAKER announced he had examined and approved the Journal of the proceedings of Wednesday, June 17, 1998.

Pursuant to clause 1, rule I, the Journal was approved.

### 60.2 COMMUNICATIONS

Executive and other communications, pursuant to clause 2, rule XXIV, were referred as follows:

9680. A letter from the General Counsel, Department of Defense, transmitting a report entitled "Department of Defense Panel to Study Military Justice in the National Guard Not in Federal Service," pursuant to Public Law 104-201, 110 Stat. 2534; to the Committee on National Security.

9681. A letter from the Director, Office of Rulemaking Coordination, Department of Energy, transmitting the Department's final rule—Conduct of Employees (RIN: 1990-AA19) received June 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

9682. A letter from the Director, Office of Rulemaking Coordination, Department of Energy, transmitting the Department's final rule—Information Security Program [DOE O 471.2A] received June 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

9683. A letter from the AMD—Performance Evaluation and Records Management, Federal Communications Commission, transmitting the Commission's final rule—Implementation of Section 402(b)(1)(A) of the Telecommunications Act of 1996 [CC Docket No. 96-187] received June 17, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

9684. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to amend titles XIX and XXI of the Social Security Act to achieve improvements in outreach and provision of health care to children; to the Committee on Commerce.

9685. A letter from the Chief, Regulations Branch, U.S. Customs Service, transmitting the Service's final rule—Emissions Standards For Imported Nonroad Engines [T.D. 98-50] (RIN: 1515-AC28) received May 22, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

9686. A letter from the Chief Counsel, Office of Foreign Assets Control, Department of the Treasury, transmitting the Department's final rule—Blocked Persons, Specially Designated Nationals, and Specially Designated Narcotics Traffickers: Additional Designations [31 CFR Chapter V] received May 27, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

9687. A letter from the Assistant Secretary for Strategy and Threat Reduction, Department of Defense, transmitting the joint Department of Defense and Department of Energy report to Congress on the Project Plan for the Russian Reactor Core Conversion Program, pursuant to Pub.L. 105-29; to the Committee on International Relations.

9688. A letter from the Executive Director, Committee for Purchase From People Who Are Blind or Severely Disabled, transmitting the Committee's final rule—Procurement List Additions—received June 17, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

9689. A letter from the Acting Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting a draft of proposed legislation to amend the Act which established the Weir Farm National Historic Site, in the State of Connecticut, by modifying the boundary and for other purposes; to the Committee on Resources.

9690. A letter from the Assistant Administrator, National Ocean Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Monterey Bay National Marine Sanctuary [Docket No. 971014243-7243-01] received June 17, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9691. A letter from the Assistant Administrator, National Ocean Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final

rule—Temporary Rule Prohibiting Anchoring by Vessels 50 Meters or Greater in Length on Tortugas Bank within the Florida Keys National Marine Sanctuary [Docket No. 971014245-7245-01] received June 17, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9692. A letter from the Deputy Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Taking of Marine Mammals Incidental to Commercial Fishing Operations; Pacific Offshore Cetacean Take Reduction Plan Regulations [Docket No. 970129015-7220-05; I.D. 010397A] (RIN: 0648-A184) received June 17, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9693. A letter from the Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Groundfish of the Gulf of Alaska; Seasonal Apportionments of Pollock [Docket No. 980331079-8144-09; I.D. 031198D] (RIN: 0648-AK71) received June 17, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9694. A letter from the Acting Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Atlantic Tuna Fisheries; Atlantic Bluefin Tuna General Category [I.D. 100297A] received June 17, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9695. A letter from the Acting Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pollock in Statistical Area 610 [Docket No. 971208297-8054-02; I.D. 060598A] received June 17, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9696. A letter from the Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Halibut Donation Program [Docket No. 980212037-8142-02; I.D. 012798A] (RIN: 0648-AJ87) received June 17, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9697. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulation: Fireworks displays within the First Coast Guard District [CGD01-98-065] (RIN: 2115-AE46) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9698. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: Peekskill Summerfest 98 Fireworks, Peekskill Bay, Hudson River, New York [CGD01-98-050] (RIN: 2115-AA97) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9699. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Revisions to Digital Flight Data Recorder Rules [Docket No. 28109; Amendment No. 11-44] (RIN: 2120-AF76) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9700. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; AlliedSignal Inc. Model TPE331 Series Turboprop Engines [Docket No. 97-ANE-47-AD; Amendment 39-10565; AD 98-12-09] (RIN: 2120-AA64) received June 11, 1998,

pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9701. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Allison Engine Company Model AE 3007A Turboprop Engines [Docket No. 98-ANE-14-AD; Amendment 39-10568; AD 98-12-12] (RIN: 2120-AA64) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9702. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model AS 332C, L, L1, and L2 Helicopters [Docket No. 98-SW-07-AD; Amendment 39-10571; 98-12-15] (RIN: 2120-AA64) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9703. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A320-111, -211, and -231 Series Airplanes [Docket No. 96-NM-184-AD; Amendment 39-10573; AD 98-12-18] (RIN: 2120-AA64) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9704. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bell Helicopter Textron Canada Model 407 Helicopters [Docket No. 98-SW-10-AD; Amendment 39-10576; AD 98-12-22] (RIN: 2120-AA64) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9705. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; AERMACCHI S.p.A. S.205 Series and Models S.208 and S.208A Airplanes [Docket No. 97-CE-146-AD; Amendment 39-10570; AD 98-12-14] (RIN: 2120-AA64) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9706. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; CASA Model C-212 Series Airplanes [Docket No. 98-NM-97-AD; Amendment 39-10582; AD 98-12-28] (RIN: 2120-AA64) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9707. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A310 Series Airplanes Equipped With General Electric Model CF6-80A3 Series Engines [Docket No. 98-NM-182-AD; Amendment 39-10578; AD 98-12-24] received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9708. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F.28 Mark 1000, 2000, 3000, and 4000 Series Airplanes [Docket No. 98-NM-45-AD; Amendment 39-10580; AD 98-12-26] (RIN: 2120-AA64) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9709. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; British Aerospace BAe Model ATP Airplanes [Docket No. 98-NM-53-AD; Amendment 39-10581; AD 98-12-27] (RIN: 2120-AA64) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9710. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; British Aerospace BAe Model ATP Airplanes [Docket No. 97-NM-312-AD; Amendment 39-10579; AD 98-12-25] (RIN: 2120-AA64) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9711. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—National Standards For Traffic Control Devices; Revision Of The Manual On Uniform Traffic Control Devices; Pedestrian, Bicycle, And School Warning Signs [FHWA Docket 96-9; FHWA-97-2281] (RIN: 2125-AD89) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9712. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; British Aerospace Model Viscount 744, 745, 745D, and 810 Series Airplanes [Docket No. 97-NM-321-AD; Amendment 39-10444; AD 98-12-17] (RIN: 2120-AA64) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9713. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model AS 332C, L, L1, and L2 Helicopters [Docket No. 98-SW-07-AD; Amendment 39-10571; AD 98-12-15] (RIN: 2120-AA64) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9714. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Lucas Air Equipment Electric Hoists [Docket No. 98-SW-04-AD; Amendment 39-10583; AD 98-12-29] (RIN: 2120-AA64) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9715. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Avions Mudry et Cie Model CAP 10B Airplanes [Docket No. 97-CE-126-AD; Amendment 39-10566; AD 98-12-10] (RIN: 2120-AA64) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9716. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Industrie Aeronautiche e Meccaniche Model Piaggio P-180 Airplanes [Docket No. 97-CE-141-AD; Amendment 39-10569; AD 98-12-13] (RIN: 2120-AA64) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9717. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Modification of the Atlantic High Offshore Airspace Area; correction [Airspace Docket No. 97-ASO-16] (RIN: 2120-AA66) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9718. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establish Class E Airspace; Atkinson, NE [Airspace Docket No. 98-ACE-8] received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9719. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Revocation and Establishment of Class D; and Modification of Class E

Airspace Area; Olathe, JOHNSON County Industrial Airport, KS; Correction [Airspace Docket No. 98-ACE-5] received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9720. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace; Leeville, LA [Airspace Docket No. 98-ASW-27] received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9721. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace; Sabine Pass, TX [Airspace Docket No. 98-ASW-28] received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9722. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace; Intracoastal City, LA [Airspace Docket No. 98-ASW-24] received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9723. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace; Venice, LA [Airspace Docket No. 98-ASW-25] received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9724. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Grand Chenier, LA [Airspace Docket No. 98-ASW-26] received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9725. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace; Grand Isle, LA [Airspace Docket No. 98-ASW-29] received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9726. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Le Mars, IA [Airspace Docket No. 98-ACE-7] received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9727. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Aurora, NE [Airspace Docket No. 98-ACE-13] received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9728. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model SE3130, SA3180, SE313B, SA318B, and SA318C Helicopters [Docket No. 98-SW-03-AD; Amendment 39-10574; AD 98-12-20] (RIN: 2120-AA64) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9729. A letter from the Acting Deputy Director, NIST, National Institute of Standards and Technology, transmitting the Institute's final rule—GRANT FUNDS—Materials Science and Engineering Laboratory—Availability of Funds [Docket No. 970520119-7284-02] (RIN: 0693-ZA15) received June 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Science.

9730. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Federal Employment Tax Deposits—De Minimis Rule [TD 8771] (RIN: 1545-AW29) received June 15, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

9731. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Action on Decision in *Paul A. Bilzerian v. United States*, 86 F.3d 1067 (11th Cir. 1996), rev'd 887 F. Supp. 1509 (M.D. Fla. 1995), remanded sub nom. *Steffen v. United States*, 952 F. Supp. 779 (M.D. Fla. 1997) received June 15, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

9732. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to improve the operation of the United States Mint as a Performance-Based Organization (PBO) in the Department of Treasury, and for other purposes; jointly to the Committees on Banking and Financial Services and Government Reform and Oversight.

9733. A letter from the Acting General Counsel, Department of Defense, transmitting a draft of proposed legislation to authorize a pilot program to increase the micro-purchase threshold in Government Procurements from \$2,500 to \$10,000; jointly to the Committees on Government Reform and Oversight and Small Business.

9734. A letter from the Director, Office of Personnel Management, transmitting a draft of proposed legislation to establish an appropriate system for overtime pay for Federal firefighters, and for other purposes; jointly to the Committees on Government Reform and Oversight and Education and the Workforce.

9735. A letter from the Secretary of Health and Human Services, transmitting the Department's final rule—Medicare Program; Incentive Programs—Fraud and Abuse [HCFA-6144-FC] (RIN: 0938-AH86) received June 8, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Ways and Means and Commerce.

### 160.3 EDUCATION SAVINGS FOR PUBLIC AND PRIVATE SCHOOLS

Mr. GOODLING, pursuant to House Resolution 471, called up the following conference report (Rept. No. 105-577):

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2646), to amend the Internal Revenue Code of 1986 to allow tax-free expenditures from education individual retirement accounts for elementary and secondary school expenses, to increase the maximum annual amount of contributions to such accounts, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Education Savings and School Excellence Act of 1998".

#### TITLE I—TAX INCENTIVES FOR EDUCATION

##### SEC. 100. AMENDMENT TO 1986 CODE.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made

to a section or other provision of the Internal Revenue Code of 1986.

#### SUBTITLE A—Tax Incentives For Education SEC. 101. MODIFICATIONS TO EDUCATION INDIVIDUAL RETIREMENT ACCOUNTS.

(a) TAX-FREE EXPENDITURES FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.—

(1) IN GENERAL.—Section 530(b)(2) (defining qualified higher education expenses) is amended to read as follows:

"(2) QUALIFIED EDUCATION EXPENSES.—

"(A) IN GENERAL.—The term 'qualified education expenses' means—

"(i) qualified higher education expenses (as defined in section 529(e)(3)), and

"(ii) qualified elementary and secondary education expenses (as defined in paragraph (4)).

Such expenses shall be reduced as provided in section 25A(g)(2).

"(B) QUALIFIED STATE TUITION PROGRAMS.—Such term shall include amounts paid or incurred to purchase tuition credits or certificates, or to make contributions to an account, under a qualified State tuition program (as defined in section 529(b)) for the benefit of the beneficiary of the account."

(2) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—Section 530(b) (relating to definitions and special rules) is amended by adding at the end the following new paragraph:

"(4) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—

"(A) IN GENERAL.—The term 'qualified elementary and secondary education expenses' means—

"(i) expenses for tuition, fees, academic tutoring, special needs services, books, supplies, computer equipment (including related software and services), and other equipment which are incurred in connection with the enrollment or attendance of the designated beneficiary of the trust as an elementary or secondary school student at a public, private, or religious school, or

"(ii) expenses for room and board, uniforms, transportation, and supplementary items and services (including extended day programs) which are required or provided by a public, private, or religious school in connection with such enrollment or attendance.

"(B) SPECIAL RULE FOR HOMESCHOOLING.—Such term shall include expenses described in subparagraph (A)(i) in connection with education provided by homeschooling if the requirements of any applicable State or local law are met with respect to such education.

"(C) SCHOOL.—The term 'school' means any school which provides elementary education or secondary education (kindergarten through grade 12), as determined under State law."

(3) SPECIAL RULES FOR APPLYING EXCLUSION TO ELEMENTARY AND SECONDARY EXPENSES.—Section 530(d)(2) (relating to distributions for qualified higher education expenses), as amended by subsection (e), is amended by adding at the end the following new subparagraph:

"(E) SPECIAL RULES FOR ELEMENTARY AND SECONDARY EXPENSES.—

"(i) IN GENERAL.—The aggregate amount of qualified elementary and secondary education expenses taken into account for purposes of this paragraph with respect to any education individual retirement account for all taxable years shall not exceed the sum of the aggregate contributions to such account for taxable years beginning after December 31, 1998, and before January 1, 2003, and earnings on such contributions.

"(ii) SPECIAL OPERATING RULES.—For purposes of clause (i)—

"(I) the trustee of an education individual retirement account shall keep separate accounts with respect to contributions and earnings described in clause (i), and

"(II) if there are distributions in excess of qualified elementary and secondary education expenses for any taxable year, such excess distributions shall be allocated first to contributions and earnings not described in clause (i)."

(4) CONFORMING AMENDMENTS.—Subsections (b)(1) and (d)(2) of section 530 are each amended by striking "higher" each place it appears in the text and heading thereof.

(b) MAXIMUM ANNUAL CONTRIBUTIONS.—

(1) IN GENERAL.—Section 530(b)(1)(A)(iii) (defining education individual retirement account) is amended by striking "\$500" and inserting "the contribution limit for such taxable year".

(2) CONTRIBUTION LIMIT.—Section 530(b) (relating to definitions and special rules), as amended by subsection (a)(2), is amended by adding at the end the following new paragraph:

"(5) CONTRIBUTION LIMIT.—The term 'contribution limit' means \$500 (\$2,000 in the case of any taxable year beginning after December 31, 1998, and ending before January 1, 2003)."

(3) CONFORMING AMENDMENT.—Section 4973(e)(1)(A) is amended by striking "\$500" and inserting "the contribution limit (as defined in section 530(b)(5)) for such taxable year".

(c) WAIVER OF AGE LIMITATIONS FOR CHILDREN WITH SPECIAL NEEDS.—Section 530(b)(1) (defining education individual retirement account) is amended by adding at the end the following flush sentence:

"The age limitations in the preceding sentence shall not apply to any designated beneficiary with special needs (as determined under regulations prescribed by the Secretary)."

(d) CORPORATIONS PERMITTED TO CONTRIBUTE TO ACCOUNTS.—Section 530(c)(1) (relating to reduction in permitted contributions based on adjusted gross income) is amended by striking "The maximum amount which a contributor" and inserting "In the case of a contributor who is an individual, the maximum amount the contributor".

(e) TECHNICAL CORRECTIONS.—

(1) Section 530(b)(1) is amended by inserting "an individual who is" before "the designated beneficiary" in the material preceding subparagraph (A).

(2)(A) Section 530(b)(1)(E) is amended to read as follows:

"(E) Except as provided in subsection (d)(7), any balance to the credit of the designated beneficiary on the date on which the beneficiary attains age 30 shall be distributed within 30 days after such date to the beneficiary or, if the beneficiary dies before attaining age 30, shall be distributed within 30 days after the date of death of such beneficiary."

(B) Section 530(d)(7) is amended by inserting at the end the following new sentence: "In applying the preceding sentence, members of the family of the designated beneficiary shall be treated in the same manner as the spouse under such paragraph (8)."

(C) Section 530(d) is amended by adding at the end the following new paragraph:

"(8) DEEMED DISTRIBUTION ON REQUIRED DISTRIBUTION DATE.—In any case in which a distribution is required under subsection (b)(1)(E), any balance to the credit of a designated beneficiary as of the close of the 30-day period referred to in such subsection for making such distribution shall be deemed distributed at the close of such period."

(3)(A) Section 530(d)(1) is amended by striking "section 72(b)" and inserting "section 72".

(B) Section 72(e) is amended by inserting after paragraph (8) the following new paragraph:

"(9) EXTENSION OF PARAGRAPH (2)(B) TO QUALIFIED STATE TUITION PROGRAMS AND EDU-